

STATE OF MICHIGAN
DESCRIPTIONS OF SPECIAL REVENUE FUNDS - TRANSPORTATION RELATED
FISCAL YEAR ENDED SEPTEMBER 30, 2000

STATE AERONAUTICS FUND

This fund, established by P.A. 327 of 1945, is administered by the Department of Transportation for improvement of airports. Its budget is subject to annual legislative review and appropriation. Financing consists mostly of federal and local contributions and aviation fuel taxes. Expenditures and transfers are for administration and local airport improvement project costs.

STATE TRUNKLINE FUND

This fund is administered by the Department of Transportation for construction and maintenance of highways. Its overall budget is subject to annual legislative review and appropriation, but the Transportation Commission has significant discretion in determining the funding of individual projects. Financing consists primarily of a transfer from the Michigan Transportation Fund, federal aid, and local participation. Expenditures and operating transfers out are for administration, highway maintenance and construction, debt service, and various contractual obligations. In accordance with statutory provisions, any fund balance not otherwise reserved at fiscal year-end is reserved for road and bridge construction purposes.

The State Trunkline Fund also is used to record loans made to local units of government for reconstructing and resurfacing roadways. Loan repayments, which are received directly by the State Trunkline Fund, are not pledged to the payment of the bonds which originally provided the financing to make the loans. The activities of the Blue Water Bridge program, which is segregated as a separate fund within the accounting system, are also reported in this column. A portion of the receivables and payables between the State Trunkline Fund and the Blue Water Bridge Fund are presented as "Due from other funds – current" and "Due to other funds – current". The remainder is classified as long-term "Advances" because repayment will not occur within the next 12 months.

MICHIGAN TRANSPORTATION FUND

This fund, established by section 10 of P.A. 51 of 1951, as amended, is administered jointly by the Department of Transportation and the Department of State. The fund is a receiving fund for several tax revenues dedicated to highway purposes. Transfers are made from the fund to the General Fund, State Trunkline Fund, and the Comprehensive Transportation Fund. Expenditures include grants to counties, cities, and villages for highway purposes.

COMPREHENSIVE TRANSPORTATION FUND

This fund, established by P.A. 327 of 1972, as amended, is administered by the Department of Transportation. It was created to account for the planning and development of public transportation systems within the State. Financing is provided by federal and local revenues, vehicle-related sales tax, and transfers from the Michigan Transportation Fund. In accordance with statutory provisions, any unencumbered balance at fiscal year-end lapses and reverts to the fund for appropriation in the following fiscal year.

COMBINED STATE TRUNKLINE FUND BOND PROCEEDS FUND

This fund was established pursuant to Section 18(b) of P.A. 51 of 1951, as amended, to account for the proceeds of State trunkline revenue dedicated bonds. These bonds are being used in part to finance the costs of reconstructing and resurfacing portions of the State trunkline system.

COMBINED COMPREHENSIVE TRANSPORTATION BOND PROCEEDS FUND

Established pursuant to Section 18(b) of P.A. 51 of 1951, as amended, this fund accounts for the proceeds of comprehensive transportation revenue dedicated bonds. These bonds are being used to finance part of the construction and acquisition of comprehensive transportation projects.